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Lyndon LaRouche and the New American Fascism

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banks 'switch' the funds into special 'dummy accounts' at these banks," wrote Goldman. He added that "we know the names of these agents at several large banks, but choose not to name them at this time."

Goldman described the techniques of wire transfer fraud as being "simple-mindedly easy." Curiously, the LaRouche organization had previously been sued by the Bank of Nova Scotia and Chase Manhattan because of mysterious errors in wire transfers between various LaRouchian accounts. In each case the decimal points had been shifted to the right, transforming hundreds of dollars into tens of thousands of dollars. The error happened twice with Chase in a four-day period. The litigation involved instances in which the LaRouchians withdrew the money from the receiving account before the bank discovered the error, then refused to return it. An affidavit by LaRouche aide Warren Hamerman indicated that many such wire transfer glitches had occurred to LaRouchian accounts across the country. Hamerman said the NCLC should not be required to repay the money, because the errors were really donations by individuals who did not wish their identities known. He also charged that the lawsuits were political warfare against his organization instigated by powerful persons. The political wrapping to LaRouche's financial manipulations was already coming in handy.

Thirty-five

Las Vegas in the Sky

Former Socialist Workers Party member LaRouche's entrée into organized crime began appropriately with the Teamsters union, which the SWP had helped to build into a powerful force in the 1930s. As usual, LaRouche developed a cover story: He wanted to organize a "grand coalition" of America's industrial producers to smash the power of the "monetarists." Who better could qualify as industrial producers than America's truckdrivers—those Teamster rank and filers whose forebears were the foot soldiers of the SWP-led Minneapolis General Strike in 1934? But LaRouche targeted Teamsters who hadn't done an honest day's work or led a legitimate strike in years—for instance, Jackie Presser, the bloated boss of the Cleveland joint council.

Presser was a close associate of Mitch WerBell's co-defendant in the pot trial, John Nardi. Their dealings went back decades. Nardi had backed the rise of Presser's father, Ohio Conference of Teamsters president William Presser. When slain, Nardi was the secretary of a vending machine local in the Cleveland joint council. His son, John Jr., was on the books of the younger Presser's Local 507.

The LaRouchians were aware of Nardi's links to both Presser and

WerBell. In an attempt to reframe the NCLC's view of Teamster corruption, LaRouche argued that Teamster leaders such as Presser and Nardi were not what they appeared to be, but constituted a "traditionalist" faction in organized labor, a faction of patriotic "nation builders." If they were under attack from the Justice Department/media cabal, it was because they, like the LaRouchians and WerBell, were seen as a threat to the power of the monetarists. *New Solidarity* thus took issue with the mainstream media's depiction of Nardi's slaying as mob-related. *New Solidarity* said it was an FBI hit. (Later that year Presser told author Steve Brill that Nardi's murder was probably drug-related.)

LaRouche warned his followers that Presser and other traditionalist labor leaders were not yet fully conscious of their factional destiny. It was up to the NCLC to tutor them. If a LaRouche follower was sitting in an Italian restaurant with some hoodlum and wondered "What am I doing here?" he could just close his eyes and imagine his dinner partner as a potential convert to Neoplatonic humanism. However, such mind games weren't always necessary. Many LaRouchians were thrilled to associate with tough guys. The New Left of the 1960s had discovered its ultimate fantasy in the guns, bandoliers, and glistening biceps of the Black Panthers. The LaRouchians found something similar in the flowery shirts, diamond rings, and blowtorches of Teamster organizers. Although Operation Mop Up had failed to dispel the self-image of LaRouche's followers as wimps and nerds, associating with the Teamsters provided a vicarious super-masculinity, like being the towel boy for the high school football team. Meanwhile, some Teamster officials may have found a balm for their own insecurities. For the first time, these despised and reviled outlaws of organized labor were getting respect from smart college boys, just like Cesar Chavez.

In 1977–78 the Teamster leadership was facing one of its periodic sieges by the Justice Department and the media while also under fire from rank-and-file reformers. Trucking deregulation meanwhile loomed in Congress as a threat to the union's bargaining power. The LaRouchians told the Teamsters that it was all one big Establishment plot and suggested they take the offensive. Jackie Presser had similar ideas, although not as grandiose, and this provided the LaRouchians with their opening wedge. *New Solidarity* urged the Teamsters to get behind Presser. NCLC members showed up at highway off-ramps and busy intersections in several cities to sell *New Solidarity* and pass out fliers attacking Teamster reform groups. Often they gave out Presser's phone number and urged truckers to call him with their grievances.

In the April–May 1977 *Ohio Teamster,* Presser adopted the LaRouchian rhetoric. "For years we have ignored our enemies," he wrote. "We now find that we must counterattack because it is becoming increasingly clear that these attacks . . . are part of a cleverly trated campaign. . . . We can only assume that it must be those forces who seek to destroy democracy and responsible capitali are beginning to see curious alliances among those who att [International Brotherhood of Teamsters]. Alliances between s claimed social reformers and self-confessed socialists and p money interests including tax-protected foundations. Recall if that it was foundations that were revealed as frequent condu 'dirty money' from the CIA . . ." Presser's complaint abo money can only be regarded as bizarre in light of the Teamsters cooperation in the early 1960s in CIA plots to assassinate Fidel

Presser's connection to the LaRouchians soon became known. The Teamsters for a Democratic Union (TDU) news *Convoy,* repeatedly criticized it. Teamster vice president Harol bons, now deceased, complained both inside the union's highes cils and to the press. In a 1979 telephone interview, he said the tion of LaRouchian literature in the union was mostly Presser's Two years later, he told *Mother Jones* the alliance was still in pla that Presser seemed to "admire" the LaRouchians. At the 1981 ster convention in Las Vegas, Presser openly associated with guests in defiance of his critics. For their part, the LaRouchia missed reports of Presser's organized-crime ties as enemy propa When former mob enforcer Aladena T. ("Jimmy the Weasel" tianno testified in the trial of a San Francisco Teamster lead Presser took orders from "La Cosa Nostra," *New Solidarity* a NCLC members that this was a total lie.

The LaRouchians also fostered illusions about Presser's fa twice-convicted felon who had been forced to resign in 1976 as of an IBT pension fund after taking the Fifth in response to que about alleged loans to mobsters. When the elder Presser died in *New Solidarity* stated that "the Teamsters not only lost a great lead this country lost a great man . . . Young people in and out of the movement should look to him and his life for inspiration." *New S ity* doubtless had an eye to influencing Jackie, whose idolization father was well known. But the obituary was also useful in boosti morale of NCLC members. Bill Presser, it was reported, had ded the last months of his life to saving America and the IBT pensio from the forces of evil. The implication was that he had virtual come a LaRouchian. Although untrue, it reflected a new schen LaRouchians had begun discussing in 1980—to "borrow" mone senior citizens. This meant *any* senior citizen, even a racketeer rumor spread within the NCLC that Helga had been given a race by an elderly Detroit mobster.

Jackie Presser gained a measure of respectability by backing Reagan for President in 1980. He served on the presidential transition team and inauguration committee—honors which facilitated his rise to the union's presidency in 1983. But the IBT's corruption was simply too visible to be ignored. The Justice Department continued to probe Presser's activities, and in 1985 summoned him before the White House Commission on Organized Crime, where he took the Fifth Amendment fifteen times. (Among the questions ducked was his relationship to an official of a LaRouche-linked Teamster local on Long Island.) The commission's report, released in March 1986, described Presser as having an "extensive record of organized crime associations." Two months later he was indicted in Cleveland on embezzlement and racketeering charges, including the theft of $700,000 from the union to pay "ghost" employees, including John Nardi, Jr.

In November 1986, Anthony ("Fat Tony") Salerno, former boss of the Genovese crime family and reputedly one of the nation's leading heroin traffickers, was indicted in New York. The government charged that he had conspired in 1983 to select Presser as Teamster president. (Presser's predecessor, Roy Williams, had resigned to begin serving a fifty-five-year bribery sentence.) A Salerno associate had met with the heads of organized crime in Cleveland and Chicago to seek their approval. Salerno allegedly had then influenced Teamster officials from the New York metropolitan area and elsewhere to support Presser.

By 1987 the Justice Department was so fed up with Presser and his Mafia friends that it announced a civil racketeering suit to remove the entire Teamster national leadership and place the union in trusteeship.

Presser was by no means the NCLC's only Teamster friend. LaRouche emissaries in the late 1970s dealt with Teamster officials on all levels, from the locals and joint councils up to the general executive board and the office of then IBT president Frank Fitzsimmons. For instance, there was the connection to Joint Council 73 in New Jersey, controlled by Genovese crime family captain Anthony ("Tony Pro") Provenzano. In September 1977, on the eve of Tony Pro's trial for the murder of a union rival, the Joint Council 73 newspaper published a summary of a New Solidarity International Press Service report on how the Teamsters were being victimized by evil forces. The clear implication was that Tony Pro was also being victimized. When he was found guilty and sentenced to life imprisonment, he continued to control his union fiefdom through his brothers Nuncio and Salvatore ("Sammy Pro"). *New Solidarity* listed Sammy Pro as a sponsor of an NCLC call for a pro-nuclear power demonstration in Trenton. An NCLC member was invited to speak against Teamster reform groups at a local in Jersey City, with no questions from the floor allowed. According to NCLC defectors, LaRouche emissaries met several times with top New Jersey Teamsters to explore deeper cooperation and solicit financial donations. The Provenzanos were urged to guarantee no work stoppages at the construction site of Princeton University's Tokamak experimental fusion reactor. Fusion energy, the LaRouchians told them, was vital to the fight against communism.

A key attraction for many Teamster leaders was the NCLC's propaganda pamphlets. The most popular one, *The Plot to Destroy the Teamsters,* alleged that Wall Street bankers and liberal foundations controlled the TDU and another Teamster reform group, the Professional Drivers Council (PROD). *The Plot* was circulated in locals from Florida to Oregon. According to *New Solidarity,* 46,000 copies had been sold by late 1977. A map purported to show bulk purchases by twenty Teamster locals in twelve states. *The Plot* was followed by *The Deregulation Hoax: The Conspiracy to Destroy the Trucking Industry and the Teamsters,* allegedly written to order for officials of the Southern Conference of Teamsters. Both pamphlets depicted Senator Edward Kennedy as a major villain.

The TDU and PROD carefully traced the circulation of NCLC smear literature. They recorded scores of incidents in which *The Plot* or other NCLC publications were displayed at union hiring halls, passed out at union meetings by business agents, or mailed to members with a cover letter from a local official and/or using union mailing labels. PROD staff attorney Steve Early went to Alaska in 1979. "You know there's no U.S. Labor Party [electoral arm of NCLC] in Fairbanks, Alaska," he said. "But guys were getting up at meetings or calling in to radio talk shows to ask me questions like 'What is your relationship to the Baader-Meinhof gang?' "

The NCLC reported with glee on alleged incidents of violence against reform leaders. An August 1978 *New Solidarity* gloated that "a PRODite was annoying workers at a nuclear plant construction site . . . The Teamsters circulated a petition . . . stating that they didn't want him around because of his 'anti-American, anti-union activities.' The workers' enthusiastic explanations of their just grievances left the PRODite befuddled at the bottom of a garbage pail." A later article suggested a "necktie party" for TDU national organizer Ken Paff.

The most widely circulated pamphlets disguised the NCLC's anti-Semitism behind such euphemisms as "Wall Street speculator" or "British banker." But the NCLC also produced overtly anti-Semitic literature for the Teamsters, apparently unconcerned that Presser was Jewish and that his wife sold Israel bonds. In *The Gang That Killed Hoffa,* circulated in many IBT locals in 1978, LaRouche professed to have solved the mystery of the former Teamster chief's disappearance: "We may not know the names of the thugs sent to do the killings [sic], but we

know who sent them . . . The guys who did the hiring are walking around . . . as the 'most respected persons' of the international Zionist community." The pamphlet depicted Jews as inveterate plotters: "The rituals of entry into the synagogue . . . include elements of a conspiratorial 'password' system."

Teamster officials typically played a peekaboo game with the LaRouchians. As one Teamster dissident explained: "You hear about a business agent passing out [U.S.] Labor Party literature—you even have eyewitnesses—but when you ask him, he denies it." And TDU's Paff said: "It's an old tactic. The union leaders don't want to look bad, so they get outsiders to come in and conduct their smear campaigns for them, calling us Communists, drug pushers, homosexuals. When the people who are being smeared complain, the union leaders simply disclaim any responsibility." What Paff described the Teamster bosses as doing was exactly what the Reagan administration and the Star Wars lobby would do: Make full use of LaRouche's talents, but deny it when accused.

In the fall of 1977, Frank Fitzsimmons began weaving LaRouche's Rockefeller conspiracy theories into his speeches, and even considered working with the LaRouchians directly. His reasoning was eminently practical: These highly effective smear artists were Presser's creatures. If Presser could use them against union reformers, he also could use them against Fitzsimmons. The Teamster president thus proposed to co-opt them to be his own propaganda hit squad. When the Teamsters' staff attorneys learned of this scheme, they were dismayed and brought in Chicago journalist Chip Berlet, one of the authors of *Brownshirts of the Seventies,* an anti-LaRouche pamphlet. "I went right up to Fitzsimmons' floor to the legal section," said Berlet. "I spent hours with the attorneys laying out *everything.*" The attorneys were then able to convince Fitzsimmons that the LaRouchians were too volatile to be relied on. Fitzsimmons also received complaints from members of the IBT general executive board and from the TDU. In January 1978 the board passed a resolution disclaiming any association with the NCLC, although Presser continued to work with them.

Even apart from Presser's attitude, Teamster reformers were skeptical of the sincerity of the anti-LaRouche resolution. *Convoy* (April 1978) speculated that the executive board had simply wanted the resolution on record in case anyone filed a libel suit regarding the contents of *The Plot.* However, Fitzsimmons' staff issued its own 22-page attack on the reformers that spring, repeating many of *The Plot*'s allegations. Former PROD research director Bob Windrem speculated that the LaRouchians had written it. Teamster communications director Duke Zeller, who distributed the piece, claimed not to know who had written it.

The LaRouchians set about proving they could snoop as skillfully as they could smear. After infiltrating the June 1978 national conference of PROD, they prepared a 32-page report for Fitzsimmons. The document described the conference in detail, and included "background interviews" elicited under false pretenses with PROD leaders and Justice Department organized-crime strike force officials. Containing only modest doses of LaRouche's ideology, the report recommended a strong IBT counterattack against PROD and other enemies, along with overtures to the NAACP to construct a grass-roots coalition for jobs and economic development.

One by one, the Teamster executive board members forgot about the anti-LaRouche resolution. International vice president Louis Peick's home local in Chicago used LaRouchian smear literature to fend off an election challenge from a reform slate. According to PROD's *Dispatch,* Peick recommended the LaRouchians' services to other locals. As high-level Teamsters in other cities also recommended them, they became a fixture. Whenever mob-linked union incumbents were threatened by an insurgent slate, an NCLC "truth squad" was always on call to brief the membership on the alleged conspiracy of Communists, PROD, TDU, Ralph Nader, and Jewish liberal foundations. "Their propaganda was very, very effective," said Bob Windrem. "They mimicked our [PROD's] style of using specific documentation. Their facts were usually wrong, but some guys believed them. We had panic calls from a lot of our supporters." Often, the NCLC provided campaign literature for incumbents. A federal district judge in Oakland, California, ordered a new election for Local 70 after a trucking school owner linked to the local's president purchased and distributed thousands of copies of NCLC pamphlets calling members of the reform slate dope pushers and terrorists.

On Long Island, the NCLC helped the leadership of Local 282 fend off a challenge by PROD members. The local's president was John Cody, a four-time-convicted felon and a friend of the late Mafia boss Carlo Gambino. One official of the local was Harold Gross, a former Murder, Inc., associate who had worked closely with Santos Trafficante, Jr., in Florida in the 1950s. An NCLC truth squad briefed Cody and his cronies, helped them produce smear leaflets, and addressed a union educational meeting a week before the election. After the insurgents were defeated (in an election marred by several acts of intimidation), *New Solidarity* quoted Cody as saying to the truth squad, "You gave us the ammunition to win." The local's leadership then purchased a $500 subscription to NCLC's *Executive Intelligence Review* to be sent to Cody. When the PROD members found out about this donation they filed a complaint of election irregularity with the U.S. Department of Labor.

went to NCLC/U.S. Labor Party headquarters in Manhattan, but was not allowed in. The matter was dropped after USLP attorney David Heller denied that there was any connection between his client and New Solidarity International Press Service, the publisher of *EIR*. In fact, these entities shared the same offices and telephone switchboard, the same attorney (Heller), overlapping personnel, and a common source of control—the NCLC National Executive Committee.

While campaigning to reelect hoodlums, the NCLC also launched the Michigan Anti-Drug Coalition, the first of several state organizations that would merge into the National Anti-Drug Coalition. Former smuggling defendant WerBell sent a message hailing the founding conference as a "profound step towards restoring this nation to health and prosperity." An officer of Cody's Local 282 co-signed a telegram pledging "100 percent support to your coalition's efforts to clean up the drug trade." The hypocrisy reached its height when Teamster general organizer Rolland McMaster showed up at a Michigan ADC conference in May, after meeting privately with LaRouche. McMaster called on IBT officials across the nation to support their local anti-drug coalitions, and he endorsed LaRouche as the anti-drug candidate for President.

The NCLC hailed McMaster as "one of the most respected . . . voices in all of organized labor." In fact, McMaster was one of Detroit's most notorious hoodlums. In 1959 he had taken the Fifth Amendment more than fifty times before the McClellan Committee. He later went to federal prison after being convicted of thirty-two counts of labor extortion. When he met the LaRouchians, he was, among other things, the power behind a truckers' local in the Meli crime family-dominated steel-hauling industry.

Dan Moldea's *The Hoffa Wars*, the definitive study of midwestern Teamster corruption from the 1950s through the 1970s, describes McMaster as having been Hoffa's top leg breaker and an associate of some of the nation's most notorious crime bosses. The book devotes more attention to McMaster than to any other living Teamster hoodlum, describing numerous beatings, bombings, and other acts of mayhem carried out by his associates. Moldea cites the statement of Edward Partin (the former IBT official responsible for Hoffa's jury-tampering conviction) that McMaster was "a personal Hoffa liaison to Meyer Lansky, Santos Trafficante, the Dorfman family and the syndicate in Chicago, and the Genovese mob of New Jersey and New York."

According to Moldea, the earliest contact between McMaster and heroin overlord Trafficante was in 1957, when Hoffa sent McMaster to Miami to set up Local 320. The local, headed by Harold Gross, "served as a front for many of the mob's gambling and narcotics activities. Trafficante . . . occupied a small office in the union hall."

McMaster later became the head of Local 299, Hoffa's home local, where his depredations prompted dissidents to adopt the slogan "Take the Hood out of Brotherhood." In 1972 he was picked by Fitzsimmons to head up a Central States task force to organize steel haulers. According to a series in the *Detroit Free Press*, the organizing drive was little more than a shakedown racket employing ex-cons and other thugs armed with blowtorches and dynamite. It cost the IBT treasury $1.3 million, but organized fewer than 800 drivers.

The NCLC regarded McMaster's endorsement of LaRouche as a major coup. They circulated his statement throughout the Midwest in hundreds of thousands of leaflets and launched a "Teamster Committee to Elect LaRouche President." The officers of TCELP, as listed with the Federal Election Commission, were Detroit NCLC leaders, not members of the IBT. Teamster Joint Council 43 in Detroit, led by enemies of McMaster, promptly passed a resolution condemning LaRouche. Frank Fitzsimmons had to join the denunciatory chorus after a TCELP leaflet speculated that he too might endorse LaRouche. The speculation was not entirely wacky in light of Fitzsimmons' prior dealings with the LaRouchians, his aides' telephone chats with them, and candidate LaRouche's visit to IBT headquarters earlier that year. ("It took place; I was there," McMaster said in a phone interview.) Yet Fitzsimmons was angered. He sent a letter to the LaRouche campaign calling the leaflets "false and misleading" and demanding that it stop using the Teamsters' name. His letter was printed in *The International Teamster* for union members at large to read.

LaRouche's campaign committee sent Fitzsimmons an unctuous reply: "We applaud your decision and that of the Honourable Executive Board to refuse to endorse any presidential candidate at this time . . ." The letter gently suggested that loyal Teamster ally LaRouche be considered on his merits at the appropriate moment. When this elicited no response, LaRouche followed up with an open letter to Fitzsimmons implying that he fully understood the strong pressures being exerted on the IBT from "the White House, the Kennedy machine, and [Texas] Governor Connally" to stay away from the LaRouche campaign. LaRouche advised Fitzsimmons not to succumb to this divide-and-conquer tactic. Were not the IBT and the NCLC in the same boat as victims of the liberal establishment's "lying defamation and vicious persecution"?

With his typical audacity, LaRouche invited the leaders of America's largest union to give up their illusions about placating the power structure and join him in the fight for a new political order in which they

would be safe forever from organized crime strike forces. He described the IBT as the "potential backbone" of this "American System": "When the IBT leads the way on issues of fundamental importance to this nation and its people, the building trades and other unions will follow—some quicker, some slower, but they will move. With such a nucleus of organized forces, farmers, entrepreneurs, minority forces, and others will group themselves together with such a force." The ultimate payoff would be "thousands" of executive posts for Teamsters in a LaRouche administration.

It is not recorded what Fitzsimmons thought of this plan for a Greater Las Vegas in the sky, but LaRouche's letter did suggest an interesting vision of McMaster's goon squads transformed into a secret police to shake down the entire economy, not just a few trucking bosses. *New Solidarity* had earlier suggested that the Jews were the main stumbling block to such a plan. One article called for a national network of "traditionalist American System-oriented" trade union leaders to fight against AFL-CIO leader Lane Kirkland "and other Anti-Defamation League linked circles . . ." Another article criticized union officials who hesitated "to come to grips with the Social Democratic and Zionist lobby traitors" in labor's ranks. (What LaRouche had in store for the so-called Zionists had already been spelled out in *New Solidarity* using such terms as "immediate elimination.")

Thirty-six

Fishing for Piranhas

No sooner was the ink dry on Fitzsimmons' letter in *The International Teamster* than the peekaboo game started again. The Local 299 leaders in Detroit who had supported the anti-LaRouche (really, anti-McMaster) resolution continued to allow stacks of *New Solidarity* in the union hall and copies of *EIR* in the waiting room of the business office. McMaster continued his support of LaRouche, although in a low-profile way. In a January 1980 telephone interview, he described LaRouche as "the most intelligent of all the [presidential] candidates." As for Fitzsimmons' letter, McMaster said that "individual locals can support whoever they like . . . The Teamster union is one of the most democratic goddamn outfits in America." He claimed that some locals were considering an endorsement of LaRouche and that he personally had discussed it with union officials in Florida. "People like it that he's in the Democratic Party now," McMaster explained, referring to LaRouche's decision in the fall of 1979 to jettison the U.S. Labor Party and enter the Democratic primaries.

McMaster's support for LaRouche may have had self-interested motives. A Federal Election Commission schedule of receipts and expen-

Thirty-seven

How to Win Friends and Influence Hoodlums

To maintain contacts with persons linked to organized crime, LaRouche had to justify it first to his own followers. This turned out to be not very hard to do: LaRouche simply announced that "many of the persons and circles which are reputed to be associated with the Mafia are good people." These "good" mobsters, he explained, personally disapprove of the drug traffic but are infected with a pragmatism that causes them to continue to make deals and keep peace with the Zionist ("Drug Mafia") wing of organized crime. LaRouche claimed to have met with a "top official" of the Laborers Union to convince him to break with the Zionist drug pushers, but without success. This official and other members of the "good" faction refused to understand that the Brilab prosecutions were an attempt by the "bad" Mafia in alliance with the government to destroy the good Mafia and take over the latter's empire. The good Mafia could defeat this Zionist plot only by taking the offensive—by turning the courtroom fight into a political fight. But because of its pragmatism, the good Mafia was reluctant to do this. The NCLC therefore would have to do it for them. Indeed, the NCLC was their "last political bastion of resistance." If it should fail in its historic task, then the "honest trade-unionists" linked to the good Mafia (e.g., the Laborers and Teamsters) would "be picked off by [Justice Department] task-forces like flies."

This was all for internal NCLC consumption. Doubtless the proposition was put to the organization's new "Sun Belt allies" in a more businesslike fashion. Certainly in the NCLC's public attacks on Brilab there was no mention of good or bad Mafias, only of honest trade unionists. This was most noticeable in the two cases involving really big organized crime figures: the New Orleans indictment of Marcello for conspiring to bribe public officials and the Miami indictment of Trafficante, Accardo, Fosco, and thirteen co-conspirators for labor racketeering. *New Solidarity* carefully avoided mentioning the names of Marcello, Trafficante, and Accardo. Instead, it mentioned only the indicted union officials, whom it described as victims of "the most widespread witch-hunt ever attempted against American labor."

Once again, LaRouche was using code language—"labor" for Mafia, just as earlier he had used "British" for Jewish—to sanitize a morally repulsive message. He was also borrowing Jimmy Hoffa's old tactic of depicting racketeering prosecutions as an employer attack on the labor movement, akin to strikebreaking and lockouts. This pseudo-militant dodge used class-against-class rhetoric to divert the labor movement's (and the public's) attention away from the real issues at trial.

In March 1981, New Jersey Teamster boss Tony Provenzano's brothers, Sammy and Nuncio, went on trial in Newark federal court for racketeering. Despite the massive evidence of Mafia control of many New Jersey locals, and irrespective of Tony Pro's multiple convictions for murder, extortion, and racketeering (he was serving a life sentence), *New Solidarity* portrayed all three brothers as labor martyrs. The trial of Sammy and Nuncio was a "shocking farce." The Justice Department was "attempting a classic frame-up." The jury was presented with the "spectacle" of "bought-and-paid-for" witnesses. When Nuncio was convicted, this was proof of the "near impossibility" of labor leaders receiving a fair trial in the face of the Justice Department's "politically motivated" vendetta. (Nuncio was sentenced to ten years. Sammy Pro was found guilty in a subsequent racketeering trial and sentenced to four years. In 1984, federal judge Harold Ackerman ordered that their Local 560 be placed in the hands of a trustee. The Provenzanos had engaged, he said, in "a multifaceted orgy of criminal activity.")

Another of *New Solidarity*'s alleged witch-hunt victims was Frank Sheeran, president of Teamster Local 326 in Wilmington, Delaware. This was the same Frank Sheeran who, according to federal investigators, drove to the Pontiac, Michigan, airport on the morning of July 30, 1975, the day Jimmy Hoffa disappeared, to pick up three Genovese

crime family enforcers. In September 1979 a Philadelphia grand jury charged Sheeran with two murders, four attempted murders, embezzlement, and a bombing, naming Pennsylvania crime bosses Russell Bufalino and Angelo Bruno as unindicted co-conspirators. Although Sheeran was acquitted in this trial, he was indicted shortly afterward in Wilmington on labor racketeering and mail fraud charges. *New Solidarity* denounced the Delaware prosecution as a "frame-up attempt" and the chief government witness as a "rat." Failing to inform its readers of the substance of the charges in either the Philadelphia or the Wilmington case, *New Solidarity* hailed Sheeran as "a labor leader committed to policies of growth and development for the United States." Sheeran and NCLC Baltimore leader Larry Freeman held a press conference. After complaining about the alleged frame-up, Sheeran gave Freeman the floor to attack the International Socialists, a small non-Communist sect active in the TDU. Freeman accused the group of plotting with the government to undermine Sheeran and other "respected and traditional labor leaders." But in October 1981 a federal jury found Sheeran guilty on eleven counts, including conspiracy, labor racketeering, mail fraud, obstruction of justice, and taking bribes from an employer. He was sentenced to eighteen years in federal prison.

While engaging in this dubious propaganda campaign in 1981, the LaRouchians were gaining *Executive Intelligence Review* interviews with cabinet members and top Republican lawmakers in Washington. *EIR* obtained an interview with Senator Orrin Hatch (R.-Utah), chairman of the Senate Labor Committee. The interviewer asked Hatch leading questions about Brilab in an attempt to elicit answers that could be useful to the anti-Brilab campaign or that would show that the LaRouchians had clout with the senator. But Hatch artfully ducked the questions and gave innocuous answers.

The NCLC launched the Committee Against Brilab and Abscam (CABA) to solicit funds from people with a vested interest in stymieing the federal strike forces. (Abscam, short for "Arab scam," was the code name for a series of FBI bribery sting operations targeting members of Congress and utilizing an FBI agent dressed as an Arab sheikh.) A press statement by the Detroit-and-Houston-based committee announced that a "prestigious roster of labor leaders" had joined CABA's advisory board. The list was headed by Rolland McMaster, followed by IBT Joint Council 65 leader Bill Bounds (who later said his name had been used without permission) and several construction union officials.

The advisory board's "Statement of Principles" included an affirmation of support for a CABA "Trust" which would solicit funds to provide defendants with legal assistance and to "research background material and provide investigators for attorneys and publications." (The "investigators," naturally, were to come from the NCLC Security staff in New York and the McMaster-linked Detroit NCLC.) The first public advocacy pamphlet was entitled *Brilab-Abscam: Union-Busting in America.* Filled with vigorous denunciations of "snitches" and "stool-pigeons," it warned that Brilab was part of an undeclared war against the "American System," orchestrated by the Trilateral Commission and other Eastern Establishment forces. "The targeted victims . . . are America's unionized workers and their friends in business and politics—the machinery that makes America work," the pamphlet claimed, adding that "no crime in America . . . is more organized than that run by the U.S. Justice Department [and] its 13 Organized Crime Strike Forces." Ironically, this pamphlet was a reprint from *Investigative Leads,* a newsletter produced in the same offices as the National Anti-Drug Coalition's *War on Drugs* magazine. The editor of *Investigative Leads* at the time, Michelle Steinberg, doubled as an editor of *War on Drugs.*

One of CABA's first public activities was an October 1980 press conference in New Orleans, a city where the LaRouchians had never been active before. The event can be seen as a gesture of support for Marcello, the most important local Brilab defendant. NCLC member Tim Richardson told reporters that CABA already had raised $35,000, mostly from national labor unions. He declined to say if any of the New Orleans defendants had accepted the group's offers of aid, but apparently they had, because a second New Orleans press conference was staged in March 1981. Richardson was again the spokesman, and called on President Reagan to end Brilab. He also called the Justice Department's principal witness a "pathological liar." The following August a federal jury found Marcello guilty of conspiring to bribe a public official to gain millions of dollars in state insurance contracts. He was sentenced to seven years in prison. *New Solidarity* complained that he had been "entrapped."

Marcello's co-defendants included his longtime friend I. Irving Davidson, who was acquitted on all counts. Davidson, a self-described Washington "door opener and arranger," had been in touch with the LaRouchians since the mid-1970s and was regarded by them as a key contact. But he recalls being surprised when they showed up in New Orleans. "I never introduced them to people there," he asserted, adding that neither he nor Marcello became involved with the Brilab committee, which he said was financed by "a certain branch of the Teamsters." Davidson said his own frequent meetings with the LaRouchians were merely to pick their brains and purchase intelligence reports. He admitted that Mitch WerBell had occasionally been present at these meetings, but only in a security capacity.

Although Davidson denied ever introducing the LaRouchians to anyone big, he was a useful contact simply to chat with. He knew the Teamsters well, having been Jimmy Hoffa's public relations man. In 1959, he joined with Hoffa and Bill Presser to sell arms to Fulgencio Batista on behalf of the CIA. In the 1960 presidential election, he served as Hoffa's emissary to top aides of Richard Nixon and Democratic vice presidential candidate Lyndon Johnson. He later received a $13.5 million real estate loan from the Central States Pension Fund.

The LaRouchians also offered their services to Brilab defendants in Houston. An indicted Operating Engineers Union official accepted, and his attorney told the *Houston Post* that information gathered by CABA against a prosecution witness would be used in the defense. Other defendants turned them down. A spokesman for the Harris County (Houston) AFL-CIO denounced CABA as the tool of "cheap muscle people." By the summer of 1981, CABA's Houston phone number was disconnected and the group henceforth was run solely out of Detroit, where its phone number was listed under the name and address of one Larry Sherman, an NCLC leader who had just moved from Boston. Sherman was a strange choice to lead a campaign against alleged government frame-ups and vendettas. Four years earlier, the Boston media had exposed how he tried to frame members of the Clamshell Alliance, an antinuclear group, by feeding the New Hampshire State Police reports of nonexistent terrorist plots.

The Detroit NCLC began publishing the *American Labor Beacon*, a pro-CABA newsletter. Edited by Sherman, the first issue was mailed free to Teamster and AFL-CIO locals throughout the country. Union leaders were then called and asked to subscribe. The *Beacon* asked its readers to donate to CABA. It said that although direct contributions to CABA could not lawfully be made from union funds, such funds *could* be applied to the purchase of "educational materials." Potential contributors were assured that CABA was "*not* obligated to report donors" to the government.

The *Beacon* featured a "Rat of the Month" column targeting prosecutors such as Thomas Puccio of the Brooklyn Organized Crime Strike Force and various witnesses from the Federal Witness Protection Program (collectively referred to as "slime from the gutter"). The newsletter also announced a "Rat of the Decade" award for Walter Sheridan, former chief investigator for the McClellan Committee. Quoting Jimmy Hoffa, the *Beacon* called Sheridan a "slimy, sleazy rat."

CABA and the *Beacon* were closely linked to Renaissance Printing, the Detroit firm incorporated by the NCLC's local leader, Kenneth Dalto, and two associates. For several years Renaissance had done printing work for the NCLC and the Michigan Anti-Drug Coalition, as well as the Teamsters and other outside clients. Gradually, the Detroi LaRouche network had been drawn into the activities of Rolland Mc Master, developing what *New Solidarity* would later allege were an "ar ray of mafioso connections." The various McMaster-Dalto-NCLC forays into Teamster politics were the surface manifestation of thi alliance. The president of Renaissance, Scott Elliot, had been the trea surer of the "Teamster" Committee to elect LaRouche President which circulated McMaster's 1979 endorsement of LaRouche. Ellio later worked with Larry McHenry, a McMaster sidekick, on a scheme t get TDU leader Pete Camarata expelled from Local 299 for allegedl violating its bylaws; they succeeded in getting him placed on probation The two also appeared on local television to attack the TDU.

In 1980, Renaissance obtained a major infusion of capital whic LaRouche later alleged came from organized crime. Elliot and hi associates then launched a national financial printing operation unde the name Computype, with headquarters at Renaissance. They opene branches in seven cities, leased state-of-the-art equipment for facsimil transmission, and began soliciting business from energy companies i the South and Southwest. Like other financial printers, much of thei work included circulating confidential drafts of tender offers and stoc prospectuses to principals involved in the transactions.

As of 1981, Renaissance claimed 150 accounts, but its growth prove to be a disaster for LaRouche. It gave Dalto and his associates a larg degree of independence from the NCLC national office. They began t chafe under political directives from New York that seemed always t clash with their new interest in getting rich. They bought new cars an affected the flowery shirts popular among Teamster officials. The studied books on franchising. Elliot even asked his attorneys for a cras course in offshore banking.

LaRouche became suspicious in the summer of 1981. He had cracke down on Computron six months previously for placing profits before politics, and he now had some probing questions to put to Dalto an Elliot. The latter could see the handwriting on the wall. They planne to break away from the NCLC before LaRouche could drive a wedg between them and the Detroit rank and file. It is not known if McMaste provided them with advice based on his vast experience in the Byzan tine world of Teamster politics. But so well did the Detroit faction plan its revolt that LaRouche and his vaunted Security staff were take totally by surprise. In late October, LaRouche received a letter signed by almost the entire membership of the Detroit organization and b Computype employees in Chicago, Atlanta, Houston, and Boston—a total of 117 NCLC members—announcing their resignation from the NCLC and "all other LaRouche-affiliated organizations."

LaRouche responded with a flurry of internal memos intended to whip up his loyalists for a counterpunch against the Detroit "country and western" faction, so named because of their alleged fondness for popular instead of classical music. He claimed that the split was instigated by Jewish financiers and mobsters, above all the Detroit financier Max Fisher. The "Fisher-centered banking apparatus" had sunk its "dope-soaked teeth" into the Dalto group. Also blamed was the Anti-Defamation League of B'nai B'rith: "We know how the ADL officials and others have been playing the game . . . We now know exactly how to proceed to crush this murderous filth."

LaRouche's memos that fall included amazingly indiscreet revelations about the 1980 New Hampshire campaign and the alleged mob role at Computype. LaRouche mentioned the hiring of Ferris in New Hampshire, the scheme to influence voters through a policy of "have a hundred-dollar bill," the pressure on the NCLC of " 'advisers' in Southfield, Michigan," and alleged contacts with " 'wise guys' assets" in Atlanta. He also discussed how the NCLC had deliberately developed a " 'Mafia Connections' self-image" during the 1980 campaign and had used threats of Mafia violence to keep the membership in line. LaRouche said this policy had been a mistake, but he blamed it all on Dalto and Gus Kalimtgis. (NCLC defectors say it really was LaRouche's idea.) LaRouche was a bit nervous about the long-range consequences: "Under no circumstances discuss . . . the use of the 'Mafia Violence' aura outside of the ranks of the membership . . . ," he instructed NCLC members. "If you were to discuss this publicly, we would prematurely trigger [the] possibility of legal action."

However, LaRouche and his followers continued to use the very rhetoric he was criticizing. An NCLC memo boasted of a scheme to make trouble for Dalto with the Mafia. "It has been learned," the memo said, "that . . . Dalto was keeping a double set of [Computype] books to rip off a business contact in Chicago." The latter was described as a "so-called Mafia boss" and Dalto's "partner." LaRouche himself said: "Let the 'Mafia' rub out Ken . . . Naturally, we shall not be reticent in mentioning to certain circles certain facts now documented in our possession. Let the creep sweat. Let him run. Let him choose his hiding place."

Associates of Dalto say the double set of books was a LaRouche fabrication, although they worried at the time that LaRouche might have concocted false evidence. No physical harm came to Dalto either from mobsters or from the LaRouchians. Yet there can be no doubt of the ferocity of LaRouche's fantasies as reflected in various jokes included in the NCLC daily briefings. In one joke Dalto ends up committing suicide. In another the "Chicago Mafia" plants a bomb under his "Lincoln Continental." In a third he arrives at the gates of Hell "wearing a new, custom-fitted pair of cement overshoes."

LaRouche also warned his loyalists that they'd better stay loyal: "Anyone who opposes my orders will, in the moral sense, be shot on the spot for insubordination . . . I am the 'boss.' " The statement confirmed the observation by NCLC defector Dave Phillips, in a document earlier that year, that LaRouche, with his emphasis on personal "fealty" and " 'ecumenical' . . . Sun Belt ventures," had transformed the NCLC into a comic-opera version of a "Sicilian family business."

The Dalto faction's enterprises flourished after the split. Renaissance expanded to almost a hundred employees and attracted Drexel-Burnham and other Wall Street investment firms as clients. It also continued to print Teamster smear literature, although no longer a unionized shop. Dalto and his partners bought out "Frank Edwards" (the Chicago investor) but McMaster remained as a behind-the-scenes influence. Renaissance executives went on vacations with him, and the firm eventually moved into a building he had purchased, where he kept his eye on the accounts. But there were also problems. Elliot and two other former LaRouchians sued Dalto for control. Two satellite offices had to be closed. Finally, in 1985 Renaissance entered Chapter 11 bankruptcy, laying off a majority of its staff.

The Dalto faction found it difficult to break with the old habit of compulsive deceptiveness, since, indeed, it was as much a habit of their hoodlum friends as of the NCLC. When the *Beacon* editors received a letter from a building trades official asking them to "clarify" their relationship to LaRouche, their answer, published in the first *Beacon* issue after the split, blithely ignored their ten-year history of participation in the NCLC. "The *Beacon* has been dedicated to defending labor from its enemies within and without," they wrote. "After investigating [!] the LaRouche organization for a period of time [!], we have come to the conclusion that he and his organization fall into the category of 'enemies without.' "

Soon thereafter close cronies of Dalto began to feed investigative reporters tidbits about LaRouche, but avoided any revelations about their own faction's past. Although they claimed they were through with extremist politics and only wanted to operate their commercial enterprises in peace, they continued to run smear campaigns against union reformers. These activities were conducted through a variety of pre-split and post-split fronts: the Beacon News Service, Inform America, Environmental News Service, the Parity Foundation, Union Communications, and Intellico (the latter a self-styled private intelligence organization).

In 1982 Larry Sherman prepared an Intellico report for United Mine

Workers Union president Sam Church regarding the latter's opponent in the upcoming union election, Richard Trumka. Purportedly based on a trip through the coal district and interviews with people in and around Trumka's campaign, the report included unsubstantiated allegations that he was linked to Communists. The report helped Church gain support from gullible outsiders, including the Moral Majority and *Penthouse* publisher Bob Guccione. A major role in soliciting this outside support was played by Michael Doud Gill, a member of the Republican National Committee and a prominent Washington power broker. Meanwhile, Senator Orrin Hatch announced an investigation of charges (apparently Intellico's) of alleged subversive influences in the UMW and other unions. All this had no impact on the union rank and file, which gave Trumka a resounding victory.

The Dalto group became involved in Detroit Teamster elections in 1983, when international vice president Robert Holmes, a former rival of Rolland McMaster, faced a stiff election challenge from the TDU for control of his power base, Local 337. Holmes hired Richard Leebove, a Dalto/McMaster crony and former NCLC member, as a thousand-dollar-a-week "communications" aide. Leebove's specialty had always been the heavy-handed smear. In the late 1970s he had traveled around the Midwest delivering tirades against the TDU at Teamster local meetings. He had also displayed his talents as the spokesman for Citizens for Chicago, a LaRouchian front group that circulated scurrilous leaflets against Chicago mayor Jane Byrne in 1979–80 (the leaflets accused her of being controlled by the mob and of being married to a gigolo).

Leebove's role in the 1983 Teamster elections showed that the Dalto faction was still practicing LaRouchism without LaRouche. Smear articles appeared in the *Local 337 News* repeating previous NCLC charges against the TDU—for instance, that it was funded by the Rockefellers. One article implied falsely that Senator Hatch intended to launch an investigation of the TDU for subversive activity. Indirect attacks were leveled against the local's secretary-treasurer, TDU member Jerry Bliss, who was denied equal space to respond. Forged handbills appeared in Local 337 shops purporting to be from the TDU but containing material intended to embarrass the TDU candidates.

The hiring of Leebove underscored the opportunism that was always at the root of the Teamster/NCLC connection. In 1979, Holmes, as head of the Teamster joint council in Detroit, had supported the resolution condemning McMaster's so-called Teamster Committee to Elect LaRouche President, in which Leebove had been active. Now, in a situation in which Leebove's usefulness appeared to outweigh any potential embarrassment, Holmes was willing to deal.

Thirty-eight

Senators, Cabinet Members, and Dictators

LaRouche's message that racketeering is twentieth-century Americanism was useful to stroke the egos of Teamster officials. It might also have been read by Mafia dons as a signal that LaRouche wanted a niche in organized crime. But it was hardly the stuff of which effective publicity campaigns are made. For that, he needed something more subtle—an issue that could give a veneer of legitimacy to his "hands off the mob" propaganda.

He found this issue in Abscam's civil liberties implications. FBI undercover agents had solicited bribes from congressmen who, unlike the Brilab defendants, had not previously engaged in a pattern of illegal activities. Targets such as Senator Harrison Williams (D.-N.J.) were widely perceived as victims of prosecutorial tactics outside the legitimate mandate of law enforcement. Williams had a distinguished legislative record and staunchly maintained his innocence. Although a jury found him guilty in May 1981 on nine counts of bribery and conspiracy, he had the potential to gain public sympathy—something a Carlos Marcello or Frank Sheeran could never hope to achieve.

In the fall of 1981, when Williams' case was on appeal and he was